

CITY COUNCIL RESOLUTION

Exhibit “C”

WHEREAS, the City of Memphis has allowed certain organizations to provide economic incentives including the ability to enter into tax exempt bond financing transactions in the name of the respective organization; and

WHEREAS, certain environmental concerns have been raised regarding the development of the Springdale Creek Apartments in the City of Memphis after the project had been studied and approved; and

WHEREAS, the environmental concerns raised in the Springdale Creek Apartment project were at least partially the cause for the cessation of construction of the project; and

WHEREAS, the unfinished project imposes a financial risk on the authorizing entity and creates a potential environmental risk to the residents and nearby Springdale Elementary School; and

WHEREAS, no inducements should be granted to a new development which may harm the neighborhood around the project or the residents or employees of the project; and

WHEREAS, the Shelby County Board of Commissioners adopted a resolution as Item No. __ on _____, 2009 and attached thereto the Summary Site History for Springdale Creek Apartments prepared by the Tennessee Department of Environment and Conservation and an article published by The Commercial Appeal on March 15, 2008 entitled “Velsicol, neighbors near deal,” all of which are attached hereto as Exhibit “A” and incorporated herein by reference, to evidence the risk to the organization and community; and

WHEREAS, the Memphis City Council desires to request the joint City-County boards that grant economic incentives to incorporate in their respective policies and procedures the requirements set forth below so as to effectuate the intent of this resolution and the resolution adopted by the Shelby County Board of Commissioners referenced above as it relates to the Memphis and Shelby County Center City Revenue Finance Corporation and the Memphis and Shelby County Industrial Development Board and to include the Memphis Health, Education and Housing Facility Board.

NOW, THEREFORE, BE IT RESOLVED That the Memphis Health, Education and Housing Facility Board, the Memphis and Shelby County Center City Revenue Finance Corporation, and the Memphis and Shelby County Industrial Development Board be and are hereby requested to amend their policies and procedures as necessary relative to granting economic incentives so as to require the following:

1. A project involving real estate must have a Phase I environmental site assessment (“Phase I Report”) meeting all appropriate inquiry and ASTM standards sufficient to qualify the parties as an innocent purchaser for U.S. Department Environmental Protection Agency (“EPA”) purposes.
2. That all Recognized Environmental Conditions (“REC”), as defined by the EPA, that are raised in the Phase I Report be resolved prior to finalization and execution of the incentives.
3. Once a Phase I Report with RECs has been provided or all RECs have been addressed, the Phase I Report and additional reports and materials shall be forwarded to the chief environmental officer of the Memphis and Shelby County Health Department (“Environmental Officer”) for review.
4. The Environmental Officer shall provide a report with a recommendation to the respective entity’s board chairperson and board counsel.
5. If any issues raised by the Environmental Officer are not addressed and resolved to the Environmental Officer’s satisfaction, the Environmental Officer shall report the concerns to the entity’s board and the governing body/bodies authorizing the board to grant the incentive to the project.

BE IT FURTHER RESOLVED, That a copy of this resolution be provided to the Shelby County Board of Commissioners as evidence of the effectiveness of the intent of this resolution as it applies to the joint City-County boards referenced herein.

Bill Boyd, Council Member